



July 28, 2017

Pam Dizikes
Attorney, Office of the General Counsel
Oklahoma Department of Environmental Quality
707 N. Robinson
P.O. Box 1677
Oklahoma City, OK 73101-1677

Paul Davis, Project Manager
Oklahoma Department of Environmental Quality
707 N. Robinson
PO Box 1677
Oklahoma City, OK 73101-1677

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, DC 20044-7611
File Ref. No. 90-11-3-09688

Andrea Koch, Deputy Director
Decommissioning & Uranium Recovery and Waste Programs
United States Nuclear Regulatory Commission
Mailstop T-8F5
Washington, DC 20555-0001

Hollis Luzecky, Attorney-Advisor
United States Environmental Protection Agency
Office of Site Remediation Enforcement, Regional Support Division
1200 Pennsylvania Avenue, NW (Mail Code 2272A)
Washington, DC 20460

P. Clayton Eubanks
Assistant Attorney General
Environmental Protection Unit
Office of the Attorney General of Oklahoma
313 N.E. 21st Street
Oklahoma City, OK 73105

Robert William Yalen
Assistant United States Attorney
Office of the United States Attorney
for the Southern District of New York
86 Chambers Street, Third Floor
New York, NY 10007

Kenneth Kalman, Project Manager
United States Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852-2738

Dear Ladies and Gentlemen:

Environmental Properties Management, LLC, Trustee for the Cimarron Environmental Response Trust, hereby submits the attached financial statements for the following Trust Accounts to the beneficiaries of the Cimarron Trust:

- (1) Cimarron Trust Federal Environmental Cost Account
- (2) Cimarron Trust State Environmental Cost Account
- (3) Cimarron Trust Administrative Account

9400 Ward Parkway
Kansas City, MO 64114
Phone: 816-333-9400
Fax: 816-822-3463



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Beneficiary Letter

The attached financial statements cover the period from January 1, 2017 through June 30, 2017 and are submitted pursuant to the Cimarron Trust's obligations under paragraph 6.1 of the Environmental Response Trust Agreement.

Please do not hesitate to contact me with any questions pertaining to the attached.

Sincerely,

A handwritten signature in cursive script, reading "Stephan L. Nalefski".

Stephan L. Nalefski
Vice President

A handwritten signature in cursive script, reading "Bill Halliburton".

Bill Halliburton
Trust Administrator

Attachments (3)

Cimarron Environmental Response Trust
Statement of Assets, Liabilities and Net Assets
30-Jun-17

	Administrative Account	Federal Account	State Account	Total
ASSETS				
Current Assets				
Cash Equivalents	\$ 4,234,802.70	\$ 68,233,933.63	\$ 12,288,690.21	\$ 84,757,426.55
Accrued Income	1,678.36	25,114.47	6,872.63	33,665.45
Total Current Assets	<u>4,236,481.06</u>	<u>68,259,048.10</u>	<u>12,295,562.84</u>	<u>84,791,092.00</u>
 TOTAL ASSETS	 <u>\$ 4,236,481.06</u>	 <u>\$ 68,259,048.10</u>	 <u>\$ 12,295,562.84</u>	 <u>\$ 84,791,092.00</u>
 LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts Payable	112,804.84	859,926.67	53,355.21	1,026,086.72
Accrued Property Taxes	552.48	-	-	552.48
Total Current Liabilities	<u>113,357.32</u>	<u>859,926.67</u>	<u>53,355.21</u>	<u>1,026,639.20</u>
 Net Assets	 4,123,123.73	 67,399,121.43	 12,242,207.63	 83,764,452.80
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 4,236,481.06</u>	 <u>\$ 68,259,048.10</u>	 <u>\$ 12,295,562.84</u>	 <u>\$ 84,791,092.00</u>

Cimarron Environmental Response Trust
Statement of Receipts and Expenses and Changes in Net Assets
Year to Date thru June 30, 2017

	Administrative Account	Federal Account	State Account	Total		
RECEIPTS						
Interest Income	\$ 23,963.45	\$ 373,365.57	\$ 68,931.54	\$ 466,260.56		
Trust Distributions				\$ -		
Easement/lease income	<u>1,608.84</u>	<u>1,608.83</u>	<u>12,870.41</u>	<u>16,088.08</u>		
TOTAL RECEIPTS	<u>25,572.29</u>	<u>374,974.40</u>	<u>81,801.95</u>	<u>482,348.64</u>		
EXPENSES						
Administrative Expenses					Proposed Budget	Over (Under) Budget
Trustee & Administrator Fees	99,170.70	-	-	99,170.70	290,210.00	(191,039.30)
Site Maintenance & Security	9,965.83	-	-	9,965.83	62,500.00	(52,534.17)
Utilities	1,508.88	-	-	1,508.88	10,500.00	(8,991.12)
Legal & Professional Fees	2,347.89	-	-	2,347.89	50,000.00	(47,652.11)
Taxes	<u>552.48</u>	<u>-</u>	<u>-</u>	<u>552.48</u>	<u>8,000.00</u>	<u>(7,447.52)</u>
	<u>113,545.78</u>	<u>-</u>	<u>-</u>	<u>113,545.78</u>	<u>421,210.00</u>	<u>(307,664.22)</u>
Federal Expenses						
License Compliance	-	128,836.01	-	128,836.01	330,190.00	(201,353.99)
License Admendment Request	-	731,280.30	-	731,280.30	4,492,272.62	(3,760,992.32)
Agency Fees	<u>-</u>	<u>401,482.91</u>	<u>-</u>	<u>401,482.91</u>	<u>600,000.00</u>	<u>(198,517.09)</u>
	-	<u>1,261,599.22</u>	-	<u>1,261,599.22</u>	<u>5,422,462.62</u>	<u>(4,160,863.40)</u>
State Expenses						
License Admendment Request	-	-	53,543.57	53,543.57	327,762.38	(274,218.81)
Agency Fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000.00</u>	<u>(50,000.00)</u>
	-	-	<u>53,543.57</u>	<u>53,543.57</u>	<u>377,762.38</u>	<u>(324,218.81)</u>
Unanticipated Work						
Additional Activities	-	-	-	-	84,595.00	(84,595.00)
TOTAL EXPENSES	<u>113,545.78</u>	<u>1,261,599.22</u>	<u>53,543.57</u>	<u>1,428,688.57</u>	<u>6,306,030.00</u>	<u>\$ (4,877,341.43)</u>
CHANGES IN NET ASSETS	<u>(87,973.49)</u>	<u>(886,624.82)</u>	<u>28,258.38</u>	<u>(946,339.94)</u>		
NET ASSETS, beginning of period	4,211,097.22	68,285,746.20	12,213,949.26	84,710,792.68		
NET ASSETS, end of period	<u>\$ 4,123,123.73</u>	<u>\$ 67,399,121.38</u>	<u>\$ 12,242,207.64</u>	<u>\$ 83,764,452.74</u>		

Cimarron Environmental Response Trust
Statement of Receipts and Expenses and Changes in Net Assets
For Quarter ending June 30, 2017

	Administrative Account	Federal Account	State Account	Total
RECEIPTS				
Interest Income	\$ 11,619.25	\$ 191,323.38	\$ 34,605.39	237,548.02
Trust Distributions	\$ -	\$ -	\$ -	-
Easement/lease income	\$ 801.50	\$ 801.49	\$ 6,411.84	8,014.83
TOTAL RECEIPTS	<u>12,420.75</u>	<u>192,124.87</u>	<u>41,017.23</u>	<u>245,562.85</u>
EXPENSES				
Administrative Expenses				
Trustee & Administrator Fees	99,074.61	-	-	99,074.61
Site Maintenance & Security	9,965.83	-	-	9,965.83
Utilities	1,508.88	-	-	1,508.88
Legal & Professional Fees	2,347.89	-	-	2,347.89
Taxes	276.24	-	-	276.24
	<u>113,173.45</u>	<u>-</u>	<u>-</u>	<u>113,173.45</u>
Federal Expenses				
License Compliance	-	128,740.71	-	128,740.71
License Admendment Request	-	731,280.30	-	731,280.30
Agency Fees	-	135,282.50	-	135,282.50
	<u>-</u>	<u>995,303.51</u>	<u>-</u>	<u>995,303.51</u>
State Expenses				
License Admendment Request	-	-	53,447.84	53,447.84
Agency Fees	-	-	-	-
	<u>-</u>	<u>-</u>	<u>53,447.84</u>	<u>53,447.84</u>
Unanticipated Work				
Additional Activities	-	-	-	-
TOTAL EXPENSES	<u>113,173.45</u>	<u>995,303.51</u>	<u>53,447.84</u>	<u>1,161,924.80</u>
CHANGES IN NET ASSETS	<u>(100,752.70)</u>	<u>(803,178.64)</u>	<u>(12,430.61)</u>	<u>(916,361.95)</u>
NET ASSETS, beginning of period	4,223,876.43	68,202,300.02	12,254,638.25	84,680,814.70
NET ASSETS, end of period	<u>\$ 4,123,123.73</u>	<u>\$ 67,399,121.38</u>	<u>\$ 12,242,207.64</u>	<u>\$ 83,764,452.74</u>